GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

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# REPORT
OF THE
# INDIAN TARIFF BOARD
ON THE
## OIL PRESSURE LAMPS INDUSTRY

BOMBAY
1950

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## PERSONNEL OF THE BOARD

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| Dr. H. L. DEY, D.Sc. (Lond.) | *President.* |
| Dr. B. V. NARAYANASWAMY NAIDU, M.A., Ph.D., B.Com., Bar.-at-Law | *Member.* |
| Mr. B. N. ADARKAR, M.A. (Cantab.) | *Member.* |
| Mr. R. DORAISWAMY | *Secretary.* |

## PERSONNEL OF THE PANEL WHICH HEARD THE CASE

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|---|---|
| Dr. B. V. NARAYANASWAMY NAIDU, M.A., Ph.D., B.Com., Bar.-at-Law | *Member.* |
| Mr. B. N. ADARKAR, M.A. (Cantab.) | *Member.* |

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE

*NEW DELHI, the 13th January, 1951.*

RESOLUTION
(TARIFFS)

No. 46(I)TB/50.- The claim of the Oil Pressure Lamps Industry was referred to the Tariff Board for investigation and report in April 1949. The Board has submitted its report. The Board has found that Oil Pressure Lamps of different designs to suit different purposes and having illumination capacity varying from 100 to 5000 candle power are imported from abroad. Indigenous production is, however, confined to Oil Pressure Lamps and lanterns having an illumination capacity from 100 to 400 candle power. The investigation has, therefore, covered all types of Oil Pressure Lamps having 100 to 400 candle power.

2. The Board's recommendations are as follows:

(i) The existing revenue duty of 30 per cent should be converted into a protective duty at the same rate. There are no imports of this article from Burma and hence the preferential duty of 12 per cent *ad valorem* may be retained for imports from Burma in order to maintain the *status quo*. The duties should remain in force upto 31st December 1953.

(ii) Should the c.i.f. price of imported oil pressure lamps and lanterns fall appreciably below Rs.30-2-6 per piece and should large imports begin to enter the country at such lower price at any time during the period of protection as to jeopardise the position of the indigenous industry, the industry may approach the Board for necessary adjustments in the rates of protective duty under Section 4(1) of the Indian Tariff Act, 1934.

(iii) A new tariff item should be opened in the Tariff Schedule as below:

| | | | | |
|---|---|---|---|---|
| 71(11) | Pressure lamps of 100 to 400 candle power-all sorts | Protective | 30% *ad valorem* | December, 31st, 1953 |

(iv) Imports of oil pressure lamps should be recorded separately in the Sea-borne Trade Accounts.

(v) The Indian Standards Institution should formulate standard specifications for the products of this Industry and the manufacturers should conform to such specifications when formulated.

(vi) Government should give reasonable facilities to the manufacturers for the procurement of improved machinery and appliances.

(vii) Government Departments should obtain their requirements of oil pressure lamps of 100-400 candle power from indigenous manufacturers, provided the quality is satisfactory and the price is reasonable.

(viii) The Ministry of Industry and Supply, or the State Government as the case may be, should make a liberal allocation of mild steel sheets of the required gauges and specification to meet the requirements of this industry.

(ix) The industry should arrange to pool together their requirements of brass sheets, rods, etc., of all units and place bulk orders on the manufacturers.

(x) There is a considerable scope for improvement in the quality of indigenous lamps. The industry should, therefore, remove the following defects as early as possible:

(a) Lack of high degree of precision and conformity to recognized standards in the manufacture of different parts;

(b) internal plating corrosion and saw dust in "Vap tubes";

(c) variation in the shape of vaporisen coil;

(d) the upper end of coil protrudes into the Vap tube, fouling the picker on about 10 per cent on the tubes.

(xi) Arrangements should be made in each factory to have the lamps carefully tested before despatch.

(xii) The question of transport facilities and concessions to the industry should be taken by Oil Pressure Industries Association directly with the Railway Board.

(xiii) The industry should apply to the Director General of Industry and Supply for necessary guidance and/or assistance in technical matters.

(xiv) All the units manufacturing oil pressure lamps should become members of the Oil Pressure Industries Association (India), Calcutta, which should collect data regarding production, imports, etc., of the Industry.

(xv) A suitable marketing organization should be set up by the Industry.

(xvi) Units which have attained the necessary standard of efficiency should, in their own interest, explore new markets in neighbouring countries and assistance in this regard should be given through the Indian Government Trade Commissioners abroad.

(xvii) All the units should submit annual progress reports to the Board by 31st January of every year giving information regarding production, sales, stocks, cost of production and selling prices. Such reports should also contain information regarding supply of raw materials, landed costs and selling prices of the imported product and other factors that may have a bearing on the competitive position of the industry.

3. Government accept recommendation (i) in principle but have decided that a review of the progress made by the industry during the first year of protection should be undertaken by the Tariff Board, and if no tangible progress in the improvement of the quality of its products is shown by the industry, the Government of India would have to seriously consider withdrawing all concessions or assistance granted to it.

4. Government also accept recommendations (ii) to (viii) and steps will be taken to give effect to them as far as possible. Recommendations (ix) to (xvii) concern the industry and their attention is drawn to them.

S. RANGANATHAN,

*Joint Secretary to the Government of India.*

## TABLE OF CONTENTS



### APPENDICES

Page

1. The claim of the oil pressure lamps industry for protection or assistance was referred to the Tariff Board for investigation by Government of India, in the Ministry of Commerce, by their Resolution No. 1-T/A(20)/49 dated 28th April, 1949 (*vide* Appendix I), read with paragraphs 2, 5 and 7 of the late Department of Commerce Resolution No. 218-T(55)/45 dated 3rd November, 1945, and paragraph 4 of the late Department of Commerce Resolution bearing the same number dated 16th February, 1946. Applications for protection or assistance to the industry were made by:-

Reference to the Board.

(1) The Oil Pressure Industries Association (India), Calcutta, in their letter dated 30th December, 1948; and

(2) The Bengal National Chamber of Commerce, Calcutta, in their letter dated 27th December, 1948.

2. Under the Board's terms of reference, contained in paragraph 5 of the late Department of Commerce Resolution No. 218-T(55)/45 of 3rd November 1945, the Board has to satisfy itself:-

Terms of reference.

(1) that the industry is established and conducted on sound business lines; and

(2) (a) that, having regard to the natural or economic advantages enjoyed by the industry and its actual or probable costs, it is likely within a reasonable time to develop sufficiently to be able to carry on successfully without protection or State assistance, or

(b) that it is an industry to which it is desirable in the national interest to grant protection or assistance and that the probable cost of such assistance or protection to the community is not excessive.

Where a claim to protection or assistance is found to be established, *i.e.*, if condition (1) and condition (2) (a) or (b) are satisfied, the Board will recommend:-

(i) whether, at what rate and in respect of what articles, or class or description of articles a protective duty should be imposed;

(ii) what additional or alternative measures should be taken to protect or assist the industry; and

(iii) for what period, not exceeding three years, the tariff or other measures recommended should remain in force.

In making its recommendations, the Board has to give due weight to the interests of the consumer in the light of the prevailing conditions and also consider how the recommendations affect industries using the articles in respect of which protection is to be granted.

Method of inquiry.

3. (a) The Board issued a press communique on 6th June 1949, inviting producers, Associations and other parties interested in the industry to obtain copies of a preliminary questionnaire for producers and to forward their replies to the Board. The preliminary questionnaire was issued to all the known producers on 8th June, 1949. On 12th December, 1949, the Board issued another press communique intimating that detailed standard questionnaires for producers, importers and consumers were ready and invited all persons or Associations interested in the industry or in the use of its products, who desired their views to be considered, to forward their replies or

representations to the Board. The standard questionnaires were issued to all the known producers, importers and consumers on 14th December, 1949. The Directors of Industries, Chambers of Commerce and Trade Associations were also requested to forward their views on the question of protection to this industry. The Board in its letters dated 8th June and 12th December, 1949, to the Oil Pressure Industries Association (India) Ltd., Calcutta, requested them to send memoranda embodying their views on the subject. A list of firms or bodies to whom the Board's questionnaires were issued and those who replied or sent memoranda is given in Appendix II.

(b) Dr. H. L. Dey, President (then Member) of the Board, visited the factories of Krudd Industries, and Dazzle Products, both located in Howrah, on 3rd February, 1950. He also had discussions with the representatives of the Oil Pressure Industries Association (India), Calcutta. Dr. B. V. Narayanaswamy Naidu, Member, and Mr. R. Doraiswamy, Secretary, visited the factories of C. S. Pochee & Son and the New Bombay Mechanical Works, both located in Bombay, on 13th June, 1950.

(c) Mr. S.V. Rajan, Assistant Cost Accounts Officer attached to the Board, investigated the cost of production of oil pressure lamps in the following factories on the dates mentioned against each:-

(1) Krudd Industries, Howrah - 5th May, 1950.
(2) Dazzle Products, Howrah - 6th May, 1950.
(3) C.S. Pochee & Son, Bombay - 31st May, 1950.
(4) The New Bombay Mechanical Works, Bombay -6th June, 1950.

(d) A public inquiry was held on 27th and 28th June, 1950 at the Board's office in Bombay. A list of persons who attended the public inquiry is given in Appendix III.

4. In the Ministry of Commerce Resolution No. 1-T/A (20)/49, dated 28th April, 1949, referring to the Board the claim of the oil pressure lamps industry for protection or assistance, the industry has been described in general terms and would seem to include all types of lamps that are worked by oil pressure action. In the course of the inquiry, it was ascertained that oil pressure lamps of different designs to suit different purposes and having illumination capacity varying from 100 to 5,000 candle power were imported into this country. They include hanging or suspension lamps, the hand type lamps or lanterns, bed and wall lamps, storm and projector lamps, trackwork and inspection lamps and handy lamps. The indigenous production is, however, mostly confined to the manufacture of the hand or lantern type of oil pressure lamps with 100 to 400 candle power. Some indigenous producers are also manufacturing the hanging type of lamps with a similar range of candle power. We discussed this matter with the representatives of the indigenous producers who were present at the public inquiry and we were informed by them that only oil pressure lamps and lanterns having an illumination capacity from 100 to 400 candle power were at present produced in the country. It was also stated that industrial lamps and lanterns having more than 400 candle power, such as projector lamps, were not manufactured in India. We have accordingly decided that this inquiry should be confined to all types of oil pressure lamps having 100 to 400 candle power.

Scope of the inquiry.

5. (a) Although the manufacture of oil pressure lamps was carried on on a small scale by a few factories before the Second World War, the present expansion of the industry is largely a war-time development. The virtual cessation of imports resulting from the general disorganization of world trade and the lack of shipping facilities gave a powerful impetus to the industry. The demand for oil pressure lamps was also increas-

History of the industry.

ing mainly on account of the growing requirements of Defence Services and Railways. Government, therefore, encouraged the indigenous industry to expand its production of oil pressure lamps. Consequently, the production of such lamps expanded rapidly and the requirements of the country for these articles during the war period were to a large extent met from indigenous sources. After the cessation of hostilities, foreign competition again revived and a large number of foreign lamps were imported into the country at low rates. Imports of oil pressure lamps were for some time allowed under an Open General Licence. There was an appreciable increase in imports which caused a set-back to the industry, leading to a considerable decline in production. We understand, however, that as a result of the tightening of import restrictions after May, 1949, the stocks of imported lamps have now been reduced and that consequently the position of the domestic industry has improved.

(b) *The present position of the industry.*- We were informed by the Director of Industries, Government of Bombay, that there are 10 units in the Bombay State manufacturing oil pressure lamps. The Board has, however, obtained further information regarding the existence of 8 more units in different parts of the country, and it is understood that some more units are proposed to be set up in the near future. At the public inquiry, we were informed that a new factory has been set up in Ghatsila (Bihar) and that it will commence production shortly. We have, however, ascertained that only 8 firms are at present actually engaged in manufacturing oil pressure lamps. Of these, 4 are in Calcutta, 3 in Bombay and 1 in Delhi. The total capital invested in the industry is about Rs. 13 lakhs, and the total number of workers employed is about 600. The firms are either proprietary concerns or private limited Companies. Most of these producers are members of the Oil Pressure Industries Association (India), Calcutta.

6. (a) Raw materials and consumable stores. The principal raw materials and consumable stores required for the manufacture of oil pressure lamps may be broadly classified as follows:-

(1) *Raw materials for fabrication of parts:-*

(i) brass sheets;
(ii) brass rods ;
(iii) brass tubes;
(iv) mild steel sheets;
(v) galvanized wire;
} of different gauges and diameters

(vi) brass and gunmetal scraps for casting certain parts;
(vii) block zinc;
(viii) block tin; and
(ix) lead.

(2) *Soldering materials:-*

(i) block tin; and
(ii) lead.

(3) *Polishing and Nickel-plating materials:-*

(i) polishing lustre bars;
(ii) copper wire;
(iii) acids;
(iv) nickel salts; and
(v) anodes.

(4) *Sundry consumable stores:-*

(i) lubricating oils;
(ii) polishing buffs; and
(iii) cutting tools, etc.

(5) *Purchased parts:-*

(i) mantles;
(ii) chimney (glass or mica);

(iii) nipples;
(iv) needles;
(v) nozzles; and
(vi) pressure gauges.

(6) *Packing materials:-*

(i) card board cartons, wooden boxes;
(ii) labels; and
(iii) rivets for boxes, etc.

(b) The producers have stated that the raw materials especially brass sheets, brass rods, brass tubes, mild steel sheets and galvanized wire, must be of certain defined specifications and of uniform quality. Lack of uniformity makes them unsuitable for use in automatic or semi-automatic machines. In the case of brass sheets, the gauges mostly required are 20, 21 and 22, though other gauges between 16 and 24 are also used. The proportion of copper and zinc in the brass sheets should be in the ratio of 70:30 and such sheets should be manufactured by the cold process, as otherwise they do not stand deep drawing. The mild steel sheets used in the manufacture of oil pressure lamps must also be of deep drawing quality.

(c) Some of these raw materials and consumable stores, such as block tin, lead, block zinc and polishing materials, are not produced in the country and have, therefore, to be imported. Most of the other raw materials including non-ferrous wrought metals, and steel and its products, are produced in the country. The wrought non-ferrous metals, such as brass sheets, are manufactured in the country by the Indian Copper Corporation, Ghatsila (Bihar), Kamani Metals and Alloys Ltd., Bombay and the Indian Smelting and Refining Co. Ltd., Bombay. These materials are also imported and are available in the market or from the importers, such as Greaves Cotton & Co., Bombay, Gillanders Arbuthnot & Co., Calcutta, Kamani Bro-

thers, Bombay, and others. Imports of brass sheets, lead sheets, copper sheets and rods and certain other wrought non-ferrous metals are, however, subject to a protective duty ranging from 10 per cent. to 30 per cent. *ad valorem*. Unwrought non-ferrous metals are admitted free of duty. A statement showing the rates of import duties leviable on the different non-ferrous metals is given in Appendix IV. Imports of non-ferrous metals are also subject to a system of import licensing by Government. The import control policy in respect of these metals has been liberalised during the current shipping period, July-December, 1950. With regard to pending applications for the period January-June, 1950, virgin metals and scrap as well as semi-manufactured goods which are not manufactured in India, will be freely licensed. And, in the Government of India, Ministry of Commerce Notification No 21-I-T.C./50 dated 5th August, 1950, most of the non-ferrous items have now been placed on OGL XX for imports from sterling and soft currency areas. As regards mild steel sheets and galvanized wire, we have been informed by the Iron and Steel Controller to the Government of India that iron and steel sheets of the required specifications are available in the country though their supplies and prices are fixed by Government under the Iron and Steel (Control of Production and Distribution) Order of 1941. He has also stated that ample quantities of wire and wire products of different gauges are produced in the country by the Indian Steel and Wire Products Ltd., Tatanagar. As adequate supplies of steel and wire are available in the country, no imports of these materials are allowed.

(d) The producers, in their written memoranda, contended that, as compared with indigenous materials, the imported materials such as brass sheets, brass rods, and brass tubes were both superior in quality and cheaper in price. Imported materials were also of uniform quality and were available according to the exact specifications required.

They also stated that the prices of these materials, especially of brass sheets, brass rods and brass tubes, had increased by 500 to 600 per cent. over the pre-war level and were 80 to 90 per cent. higher than the prices at which these materials were available to manufacturers in Europe and America.

(e) At the public inquiry, the various aspects of the raw materials problem of this industry were exhaustively discussed. The representative of the Indian Copper Corporation (Gillanders Arbuthnot & Co., Managing Agents) stated that the Corporation had recently installed modern machinery by which almost any type of brass sheets required in the country could be produced. We were further assured by him that the required types of brass sheets could be supplied to the industry in any quantity. The representatives of the industry, however, pointed out that as the quantity required by any one factory was small, it was not easy for individual factories to obtain these materials directly from the manufacturers and that they had to obtain them from the dealers at higher prices. We do not think that this is an insuperable difficulty. The industry can make arrangements to pool together the requirements of individual factories for these materials and place bulk orders on the manufacturers. This suggestion should be borne in mind by the industry in obtaining the raw materials in future. With regard to those non-ferrous materials which need to be imported, we do not think that the industry will experience any difficulty, as the import control policy in respect of such materials has now been liberalized.

With regard to the supplies of mild steel sheets, the producers have stated that the industry has not been receiving adequate allocations from the Iron and Steel Controller. Since there is an acute shortage of steel in the country, it is obviously impossible to satisfy the requirements of all industries to the full extent. Never-

theless, we recommend that the Ministry of Industry and Supply or the State Governments, as the case may be, should make a liberal allocation of mild steel sheets of the required gauges and specifications to meet the requirements of this industry.

As regards the statement made by the indigenous producers that the prices paid by them for brass sheets, rods and tubes were 80 to 90 per cent, higher than those at which the same materials were available to manufacturers in other countries, no satisfactory evidence was produced before us to justify the contention. At the public inquiry, the producers admitted that there was now no great disparity between the domestic prices of these materials and their world prices. Indeed, the prices of brass sheets have risen considerably of late, but this is a factor which affects lamp manufacturers in all countries alike, since the rise is primarily due to the increase in the world prices of copper and zinc. The representatives of a leading manufacturing firm in the United Kingdom informed us that they were using a special type of brass sheets, namely, cartridge brass, in their lamps, at a much higher price than that paid by Indian manufacturers, for ordinary brass sheets. In any case, the difficulties, if any, which Indian lamp manufacturers experienced in the matter of prices of these materials arose out of a possible tendency towards profiteering on the part of dealers and, as suggested earlier, the only effective solution for these difficulties lies in the lamp manufacturers making co-operative arrangements to purchase their requirements in bulk directly from the producers of these materials.

Process of manufacture.

7. (a) An oil pressure lamp consists of about 70 different parts and their manufacture involves about 500 to 600 subsidiary operations. A list of the important parts of an oil pressure lamp and

the materials used for their manufacture is given in Appendix V. The equipment required consists mainly of lathes and presses.

(b) There are two main stages in the process of manufacture of oil pressure lamps, namely,

(i) press steel sheet work, and
(ii) threading of components.

*Press Steel Sheet Work.*- At this stage, the important subsidiary operations are:-

(1) Blanking, forming in deep drawing power presses, spinning, trimming, and knife and buff polishing.
(2) Stamping, embossing and punching or knotching in the power or hand presses.
(3) Soldering, brazing, tinning, etc. in charcoal, coke or oil fire as required.
(4) Nickelling and polishing.
(5) Assembling the different components.
(6) Hydraulic test to see the bursting pressure of the container for the safety of the user and air-test to detect leakage.
(7) Illumination test by the precision "foot candle" metre.

*Threading of components.*-Screws are made from rods in capstans which may be automatic or hand-operated.

(c) The machinery employed in the manufacture of oil pressure lamps may be automatic or worked by manual labour. In the latter case, more space is required to accommodate the workers as well as more staff to supervise the large number of operations. Employment of manual labour also involves slower movement of component parts from one stage to another, which greatly hampers assembling.

8. (a) Oil pressure lamps are used wherever lighting of high candle power is required, particularly in the absence of other alternative means of such illumination. These lamps are self-contained units, and can be carried wherever they are required. Hence, they are used extensively by Railways, Government P.W.D., Forest and other Departments, Municipalities, Schools, and Industrial concerns. The general public use these lamps for various purposes, such as for lighting buildings, homes, stalls, camps, yards, places of amusement, etc.

Uses.

(b) There are various types of oil pressure lamps of different candle power and shapes to suit different purposes, such as hanging lamps, lanterns, table lamps etc. The hanging lamps are generally used for indoor purposes, while the hand lanterns are used both for indoor and outdoor illumination. High-powered lamps, such as the projector lamps, are used for flood-lighting by fire brigades, building constructors and others. Trackwork and inspection lamps are used mostly on railways.

9. (a) The Director-General of Industries and Supplies considered that the present demand was of the order of 75,000 lamps per annum. He explained, however, that the lack of import statistics made it difficult to make an accurate estimate of the consumption of incandescent lamps in the country. The Oil Pressure Industries Association (India), Calcutta, stated that the pre-war imports of these articles were about 75,000 per annum and that, after allowing for consumption in areas now included in Pakistan, the present demand in the country would be between 50,000 and 60,000 lamps. On the other hand, one of the importers stated that during the pre-war period, 2,00,000 lamps of one brand alone were imported from Germany. According to the representatives of British lamp manufacturers, about 2,50,000 incandescent lamps were

Domestic demand.

exported annually from the United Kingdom to India on an average from 1934 to 1937. The importers generally considered that the total indigenous demand would be 3,00,000 lamps per annum valued at Rs. 80 lakhs to Rs. 100 lakhs.

(b) At the public inquiry, we discussed these various estimates of demand. The producers considered that the figures of past imports given by the importers were highly exaggerated and that in the pre-war period imports into undivided India did not exceed 1,00,000 lamps. Oil pressure lamps are not separately classified in the Accounts relating to the Sea-borne Trade and Navigation of India, and it is, therefore, not possible to determine accurately the actual imports of oil pressure lamps into the country in the pre-war and post-war periods. In the Sea-borne Trade Returns, statistics of imports of oil pressure lamps are included in those relating to "Lamps Metal". A statement showing the quantity and value of imports of metal lamps during the period from 1936-37 to 1948-49 is given in Appendix VI. It will be seen from this statement that the total imports of metal lamps averaged 44.1 lakhs of lamps valued at Rs. 43.6 lakhs per annum during the period from 1937-38 to 1938-39. As these figures also include other lamps, mainly hurricane lanterns, the imports of oil pressure lamps may be estimated on the basis of the relative prices of hurricane lanterns and oil pressure lamps. The average pre-war c.i.f. price was Re. 0-11-9 for hurricane lanterns and Rs. 10-0-0 for oil pressure lamps. Taking these c.i.f. prices, the average import of hurricane lanterns would be 42.9 lakhs and oil pressure lamps 1.20 lakhs per annum during the above period. This estimate, however, relates to consumption in undivided India and allowance has to be made for the reduction in demand consequent on partition. Account must also be taken of certain other factors, such as the availability of kerosene and the spread of electricity to rural areas as and when the various electrical development projects are completed. The kerosene posi-

tion is now easier, and this may encourage the use of pressure lamps. On the other hand, the long-term trend will be in the direction of a greater use of electricity at the expense of other forms of lighting. Taking all these factors into account, we consider that the demand for oil pressure lamps for the next few years is likely to be of the order of 90,000 lamps of all types per annum. Of this, it is estimated that about 10 per cent. would be for oil pressure lamps of more than 400 candle power and the rest for oil pressure lamps of 100 to 400 candle power. Thus the total demand for oil pressure lamps of 100 to 400 candle power may be estimated at about 81,000 per annum during the next three years.

Domestic production.

10. (a) The production of oil pressure lamps in the country to at present confined only to a few types, as compared with the many varieties produced in foreign countries. The indigenous producers are mostly manufacturing the hand type or lanterns of 100 to 400 candle power, and only a few producers have so far taken up the manufacture of hanging or suspension lamps with a similar range of candle power. The production of oil pressure lamps is carried on in some cases along with the manufacture of blow lamps, pressure stoves, pressure burners, etc., where the same principle of oil pressure action is applied. In a few factories, articles such as stainless steel utensils, spare parts of oil pressure lamps and mantles are also manufactured. Some of the producers obtain ready-made parts such as mantles, nozzles, spirit can, chimneys, pressure gauges, etc., and assemble them, while some other factories get some of the parts such as casing, tank, top-hood, etc., manufactured by sub-contractors.

(b) A statement showing the capital invested, rated capacity, actual production etc., for the 8 factories which are known to be producing oil pressure lamps at present is

given in Appendix VII. It will be seen from that statement that these 8 factories have a total rated capacity of 91,000 lamps per annum and that their total production in 1949 was about 34,000 lamps. Similar figures for other factories are not available. The Director-General of Industries and Supplies has informed us that the indigenous capacity for the manufacture of oil pressure lamps is approximately 60,000 lamps per annum and that the actual production of the following four units, namely, Dazzle Products, Krudd Industries, Prabhat Products and C.S. Pochee & Son, was 20,847 in 1945, 28,992 in 1946, 37,029 in 1947 and 36,035 in 1948. The Oil Pressure Industries Association (India), Calcutta, has estimated the total rated capacity in the country at 79,000 lamps per annum. Thus, it will be seen that though there is considerable productive capacity in the country, it has not been utilised to the full extent. The producers have stated that their failure to utilise the productive capacity to the full extent was due to their inability to obtain sufficient supplies of the required raw materials and the slower off-take of the finished products as a result of increased imports. The manufacturers maintain that the indigenous industry has sufficient productive capacity, not merely to meet the entire domestic demand but also to develop an export trade with the neighbouring countries in due course. In considering the above figures of rated capacity and production, it must be remembered that they relate mostly to the production of the hand-type lamps or lanterns and hanging or suspension lamps of 100 to 400 candle power.

(c) The Director-General of Industries and Supplies has stated in this memorandum on this subject that although the manufacture of oil pressure lamps has been established in an organized manner, the producers have not yet attained sufficiently high and precise standards to enable them to compete easily with the imported oil pressure lamps. The main reasons for this are stated to be that the production

in Indian factories is not fully machanised and that the supply position of the raw materials, *e.g.*, brass sheets and brass tubes, has also been far from stable. The importers have also stated that Indian factories are not well-organized and lack proper technical direction and machinery suitable for the production of the right type of oil pressure lamps. The Director-General of Industries and Supplies has further pointed out that the machinery and equipment required for the manufacture of incandescent pressure lamps is the same as that required for the manufacture of pressure stoves and blow lamps and that the total capacity available for the manufacture of oil pressure lamps is consequently much larger than that actually used for this purpose at present. The D.G., I. & S. is, therefore, of the view that, given adequate raw materials, the industry can meet the entire requirements of the country for this article. We agree with this view, but would like to add that, if lamps of the requisite quality are to be produced on a mass scale, the industry will have to carry out considerable re-equipment and rationalisation of production.

Quality of the indigenous product.

11. In the replies from the manufacturers, importers and consumers, there was considerable divergence of opinion regarding the quality of the indigenous oil pressure lamps. While all the manufacturers and some importers and consumers have stated that the quality of indigenous lamps compares favourably with that of the corresponding types of imported lamps, most of the importers and consumers have asserted that the indigenous articles are not durable and that their quality is generally far below the standard of imported lamps. It has also been stated that there is considerable prejudice against indigenous lamps among consumers who prefer to buy imported lamps even at much higher prices. It may be pointed out, however, that in comparing the indigenous with the imported product, it will be necessary to

exclude certain special brands of imported lamps which are superior to the common qualities of indigenous lamps. A proper method would be to compare like with like and find out whether the popular and representative brands of indigenous lamps compare favourably with the corresponding types of imported lamps. It has been suggested to us that foreign lamps of the Petromax model, which are widely used in this country, afford a proper standard of comparison. In this connection, it was pointed out to us that the new type of oil pressure lamps manufactured by the Tilley Lamp Company in the United Kingdom, which was constructed on a principle somewhat different from that utilized in the Petromax lamps, was not suitable for comparison with the indigenous product. The new principle utilized in the Tilley's lamps, however, was stated to result in greater economy in the cost of manufacture. In the case of another imported brand, we were told that a special contrivance was used for lighting the mantle directly by means of vapourized oil from the tank, instead of by spirit, and it was contended that this type of oil pressure lamp should also not be taken for comparison with the indigenous product. On the other hand, it was pointed out by consumers that the manufacture of the different parts of oil pressure lamps required a high degree of precision and conformity to recognized standards, as otherwise the product would not be durable and would be a source of danger. We were told that in the U.K. and in other foreign countries, definite standards had been laid down for the different parts of the oil pressure lamps. At the public inquiry, we discussed the various aspects of this question and it was generally agreed that so far as the varieties in common use were concerned, the quality of the indigenous product was satisfactory and comparable to similar types of imported lamps. We would, however, like to point out that there is still considerable scope for improvement. Some of the defects in indigenous lamps to which our attention has been drawn are:-

(i) "Some Vap tubes *have plating corrosion internally*, and some have saw-dust in them;

(ii) the vapourised coil varies in shape; and

(iii) the upper end of coil protrudes into the Vap tube, fouling the picker *on about 10 per cent. of the tubes.*"

We think that the above defects can be remedied without difficulty and should be removed as early as possible. With improved equipment, better technical supervision and an adequate provision for research, the industry can achieve a substantial improvement in the quality of its product. We suggest that arrangements should be made in each factory to have the lamps carefully tested before despatch. We also recommend that the Indian Standards Institution should formulate standard specifications for the products of this industry and that the manufacturers should conform to such specifications, when formulated.

Imports and Import Control Policy.

12. (a) *Imports* -As stated earlier, imports of oil pressure lamps are not separately recorded in the Accounts relating to the Sea-borne Trade of India. We understand, however, that in the pre-war period, oil pressure lamps were imported from Germany, the U.K., the U.S.A., Sweden, Switzerland, Italy, Japan and China. Of these imports, it is stated that about 70 per cent. were from Germany, 20 per cent. from the United States, 7 per cent. from the United Kingdom and the rest from other countries. The following were the important brands of oil pressure lamps imported into this country in the pre-war period:-

| Type | | Country of origin |
|---|---|---|
| Petromax | ... | Germany |
| Hasag | ... | Do. |
| Maxim | ... | Austria |

| | | |
|---|---|---|
| Primus, Optimus, Radius | ... | Sweden |
| Solex, Tirrenia, Benz | ... | Italy |
| Colmax | ... | Canada |
| Standard | ... | Switzerland |
| Solar | ... | Hongkong |
| Sun Flame | ... | U. S. A. |
| Vapex | ... | U. K. |

We recommend that imports of oil pressure lamps should in future be recorded separately in the Sea-borne Trade Accounts.

(b) *Import control policy.*—During the shipping period July-December 1948, no imports were allowed from hard currency countries and imports from sterling and soft currency countries were permitted on a quota basis subject to monetary ceiling. On 4th December, 1948, oil pressure lamps were placed on O.G.L. XI. In May, 1949, O.G.L. XI was cancelled and this article was not again included in O.G.L. XV. Government, however, subsequently announced that imports will be allowed by way of concession to O.G.L. XI if firm commitments had been made before 5th May, 1949. During the shipping period, January-June 1950, no imports of this article were permitted as a rule from any country, but an exception was made for some superior types of lamps, subject to a monetary ceiling, from soft and sterling currency areas. During the shipping period July-December, 1950, licences for import on the basis of 50 per cent. of half of the best years past imports will be granted to established importers from soft currency areas and in the case of imports from Switzerland the quota basis will be 200 per cent. of half of best year's imports. A statement of the import control policy for oil pressure lamps during

the period from July 1948 to December 1950 is given in Appendix VIII, A & B.

Existing rate of duty.

13. Oil Pressure lamps are not separately specified in the Indian Customs Tariff but are included in "Hardware" under item 71 of the First Schedule to the Tariff (32nd Issue). The relevant extract from the Tariff is given below:-

| Item No. | Name of article | Nature of duty | Standard rate of duty | Preferential rate of duty if the article is the produce or manufacture of | | |
|---|---|---|---|---|---|---|
| | | | | The U.K. | A British Colony | Burma |
| 71 | Hardware, ironmongery and tools, all sorts not otherwise specified, including incandescent mantles but excluding machine tools and agricultural implements. | Revenue | 30 per cent. *ad valorem.* | .. | .. | 12 per cent. *ad valorem.* |

C.i.f. prices & landed costs.

14. A statement showing the break-down of landed costs into c.i.f. prices, customs duty, clearing charges, etc., of different types of oil pressure lamps and lanterns is given in Appendix IX. At the public inquiry, some of the importers pointed out that Tilley's lamps, the c.i.f. price of which was the lowest, should not be taken for purposes of comparison with the fair selling price of the indigenous products, as Tilley's lamps were stated to have a slightly different construction from that of the Petromax lamps on which indigenous lamps were modelled. The importers considered that the lower prices of Tilley's lamps was probably due to the economies effected by the adoption of a new technique of manufacture. The normal practice of the Board is to take the lowest c.i.f. price for purposes of comparison with the fair sell-

ing price of the indigenous product, but in this case, after discussion with the representatives of the different interests present at the public inquiry, the Board agreed to adopt for this purpose the c.i.f. price of Rs. 30-2-6 for Solex lamps of which large imports have come in recently from Italy, but to make due allowance for the appreciably lower prices at which Tilley's lamps are likely to be imported, in assessing the quantum of protection needed by the domestic industry. The current c.i.f. price and the corresponding landed cost of Solex lamps that we have adopted for the purpose of comparison, are given below:

| | | Rs. | as. | ps. |
|---|---|---|---|---|
| (i) | C.i.f. price ... | 30 | 2 | 6 |
| (ii) | Customs duty ... | 9 | 0 | 9 |
| (iii) | Clearing charges ... | 1 | 6 | 0 |
| (iv) | Total landed cost ... | 40 | 9 | 3 |

Board's estimate of cost of production and fair selling price.

15. (a) The Board examined the cost of production of oil pressure lamps manufactured by the following four factories:-

1. Krudd industries Ltd., Howrah.
2. Dazzle Products Ltd., Howrah.
3. C. S. Pochee & Son, Bombay.
4. New Bombay Mechanical Works, Bombay.

The first two firms are private limited concerns, while the latter two are partnership ones. The accounts for the year ended 31st December, 1949, formed the basis of the cost examination in the case of Krudd Industries, those for the year ended 30th June, 1949 for Dazzle Products Ltd., and those pertaining to the Diwali year 2005 (year ended October 1949) for the last two firms. The rated capacity as declared by the firms and their actual production of lamps are shown below:

| Name of firm | Capacity (in Nos.) | Actual production (in Nos.) | Capacity used % |
|---|---|---|---|
| 1. Krudd Industries Ltd. | 27,000 | 11,445 | 42.4 |
| 2. Dazzle Products Ltd. | 24,000 | 15,246 | 63.5 |
| 3. C. S. Pochee & Son. | 12,000 | 2,726 | 22.7 |
| 4. The New Bombay Mechanical Works | 7,000 | 2,700 | 38.6 |

The Dazzle Products and the New Bombay Mechanical Works manufacture only oil pressure lamps of 300 candle power while the other two firms have also other lines of manufacture, such as fabrication of utensils, manufacture of stoves, pressure burners, etc., which absorb about 15 per cent. of the total capacity. The Krudd Industries is fully mechanized but in the case of the other firms, there is still room for further mechanization. Compared to the Krudd Industries and Dazzle Products, the units in Bombay are small. All the firms are concentrating on oil pressure lamps of 300 candle power. The following table shows the cost of production of an oil pressure lamp in the four firms costed:

| | Items | Krudd Industries | Dazzle Products | C.S.Pochee & Son | New Bombay Mechanical Works | Average |
|---|---|---|---|---|---|---|
| | | Rs. | Rs. | Rs. | Rs. | Rs. |
| 1. | Raw materials | 17.409 | 16.443 | 20.194 | 16.850 | 17.724 |
| 2. | Labour | 7.471 | 12.650 | 11.594 | 5.687 | 9.351 |
| 3. | Other expenses | 15.050 | 10.886 | 10.219 | 5.902 | 10.514 |
| 4. | Packing | 2.215 | 1.697 | 1.543 | 0.837 | 1.573 |
| 5. | Interest on working capital | 0.401 | 0.405 | 0.418 | 0.278 | 0.375 |
| | Total | 42.546 | 42.081 | 43.968 | 29.554 | 39.537 |
| | Less credit for materials recovered | 2.000 | 1.200 | 1.750 | 1.500 | 1.612 |
| 6 | Net Factory cost | 40.546 | 40.881 | 42.218 | 28.054 | 37.925 |

(i) *Raw material:* In the absence of adequate stores records, the only possible alternative was to assess the quantity of each type of raw material required for the production of the requisite number of parts for an assembly of 100 lamps. Thus, the cost of material for each individual firm has been first drawn up, and applying the average rates for bulk purchases, the cost of raw material has been found out. The wastage and scrap in fabricating the parts ranges from 20 to 150 per cent. depending on the type of material used and the parts manufactured.

(ii) *Interest on working capital:* This has been allowed at the rate of 4 per cent. on 3 months' cost of production.

(b) On the basis of the above cost data which relate to a past period, the Board has estimated the cost of production for the period 1950-51, with the following modifications:-

(i) *Production:* We have assumed that the firms will be able to utilize their rated capacity to the extent indicated below:-

| | | |
|---|---|---|
| Krudd Industries Ltd. | ... | 25,000 lamps |
| Dazzle Products Ltd. | ... | 21,000 " |
| C. S. Pochee & Son | ... | 10,000 " |
| New Bombay Mechanical Works | ... | 6,000 " |

(ii) *Raw material:* The quantities consumed per lamp during the period of cost investigation has been adopted, except that they have been revalued at the average rates prevailing during the five months January-May, 1950.

(iii) *Other expenses:* The fixed expenses have been spread over the assumed production, while the variable expenses have been estimated, after allowing for the anticipated variations in each case.

(iv) *Interest on working capital:* This is allowed at the rate of 4 per cent. on 3 months' cost of production for all firms.

(v) On the foregoing basis, the estimated cost of production for 1950-51 for the four firms is as follows:-

| Items | Krudd Industries | Dazzle Products | C.S.Pochee & Son | New Bombay Mechanical Works | Average |
|---|---|---|---|---|---|
| | Rs. | Rs. | Rs. | Rs. | Rs. |
| 1. Raw material | 17.211 | 16.140 | 18.040 | 16.623 | 17.003 |
| 2. Labour | 4.670 | 10.842 | 6.500 | 5.687 | 6.925 |
| 3. Other expenses | 9.043 | 9.008 | 5.515 | 4.713 | 7.070 |
| 4. Packing | 2.215 | 1.635 | 1.543 | 0.757 | 1.537 |
| 5. Interest on working capital | 0.311 | 0.364 | 0.298 | 0.263 | 0.309 |
| Total | 33.450 | 37.989 | 31.896 | 28.043 | 32.844 |
| Less credit | 2.000 | 1.200 | 1.750 | 1.500 | 1.612 |
| Net Factory cost | 31.450 | 36.789 | 30.146 | 26.543 | 31.232 |

It will be seen from the above table that the raw material cost is almost the same in all the factories costed. The small fluctuations in the cost of raw materials are due either to the different type of the raw material used or to the difference in the prices paid by each firm. The fluctuations in the other items of cost are due to differences in the equipment and manufacturing methods employed by the firms. We consider that the average of the four firms will give a fairly reasonable estimate of the cost of production The average works out to Rs. 31.232 or Rs. 31-3-9. It may be noted that this estimate of costs for 1950-51 is 18 per cent. lower than the average of actual costs for 1949 as given earlier in this paragraph. The detailed cost report is being forwarded to Government as a separate enclosure* to this Report, as the manufacturers desired the details of their cost data to be treated as confidential.

To this cost of production, a reasonable profit margin has to be added. The usual practice of the Board is to

* Not printed

allow a 10 per cent. return on block at it original value The block works out to Rs. 3.569 lakhs for Krudd Industries, and Rs. 1.522 lakhs for Dazzle Products. Return at 10 per cent. on these will work out to Rs. 1.424 or 4.5 per cent. on the estimated cost of production per lamp for Krudd Industries and Rs. 0.725 or 2 per cent. on the estimated cost of production for Dazzle Products. The gross value of the block for the other two firms is not readily available. However for the purpose of our estimate we have taken the margin of profit at 10 per cent. on the block ascertained in the case of Krudd Industries. On this basis the fair selling price of indigenous oil pressure lamps works out as follows:-

| | | |
|---|---|---|
| Average estimated cost of production | | Rs. 31.232 |
| Profit at 10% on Block ... ... | | Rs. 1.424 |
| | | Rs. 32.656 |
| | or | Rs. 32-10-6 |

16. The following statement shows the comparison between the estimated fair selling price and the landed cost ex-duty:-

Comparison between landed cost and fair selling price.

| | | |
|---|---|---|
| (a) | Fair ex-factory selling price | Rs. 32-10-6 |
| (b) | (i) C.i.f. price Rs. 30-2-6 | |
| | (ii) Clearing charges 1-6-0 | |
| | (iii) Landed cost ex-duty | Rs. 31- 8-6 |
| (c) | Difference between fair ex-factory selling price and landed cost without duty [a - b(iii)] | Rs. 1- 2-0 |
| (d) | Difference as a percentage on c.i.f. price | 3.7% |
| (e) | Existing duty | 30% |
| (f) | Margin in favour of the industry | 26.3% |

17.(a) The comparative figures given in the table in the previous paragraph indicate a duty of 3.7 per cent. to cover the difference between the estimated fair selling price of the indigenous product and the landed cost, ex-duty, of the imported article. The industry has claimed that owing to a strong prejudice on the part of the consumer, the indigenous product has to be offered substantially cheaper than the foreign product in order to find a market and that an adequate allowance should, therefore, be made for this factor in determining the quantum of protection needed by the domestic industry. We discussed this question at some length during the public inquiry and have come to the conclusion that there is some force in the contention put forward by the industry. Moreover, as stated earlier, a particular brand of imported oil pressure lamps namely, Tilley's, which is now imported into India from the United Kingdom, is priced much lower than the Solex lamps, the price of which has been adopted by us for purposes of comparison with the fair selling price of the indigenous product. Tilley's lamps have only recently begun to be imported, and have consequently not yet become popular in the Indian market. In view of the fact, however, that they are much cheaper than any other brand (their price being Rs. 22-6-0 c.i.f. as compared with Rs. 30-2-6 c.i.f. for Solex), Tilley's lamps can in due course become a formidable rival to the domestic industry and it is, therefore, necessary to provide against this danger also, in addition to the handicap arising from the consumers' prejudice about the indigenous product. We consider that an allowance of 25 per cent. would be adequate to cover both these factors. The industry has yet to make up considerable leeway in many directions and unless protection is assured, the industry would lack the necessary incentive to improve its efficiency and lower its costs of production. We, therefore, recommend that the existing revenue duty of 30 per cent. should be converted into a protective duty at the same rate. There

Measure of protection.

are no imports of this article from Burma, and hence the preferential duty of 12 per cent. *ad valorem* may be retained for imports from Burma in order to maintain the *status quo*. The duties should remain in force up to 31st December, 1953.

(b) Should the c.i.f. price of imported oil pressure lamps and lanterns fall appreciably below Rs. 30-2-6 per piece and should large imports begin to enter the country at such lower price during the period of protection as to jeopardize the position of the indigenous industry, the industry may approach the Board for necessary adjustments in the rates of protective duty under Section 4(1) of the Indian Tariff Act, 1934.

(c) If our recommendation regarding the grant of protection to the oil pressure lamps industry is accepted, then the revised Tariff Schedule should be as follows:-

| Item No. | Name of article | Nature of duty | Standard rate of duty | Preferential rate of duty if the article is the produce or manufacture of | | | Duration of protective rates of duty |
|---|---|---|---|---|---|---|---|
| | | | | The U.K. | A British Colony | Burma | |
| 71 | Hardware, ironmongery and tools all sorts not otherwise specified including incandescent mantles but excluding machine tools and agricultural implements. | Revenue | 30 per cent *ad valorem* | .. | .. | 12 per cent *ad valorem* | |
| 71(ii) | Oil Pressure lamps of 100 to 400 candle power all sorts. | Protective | 30 per cent *ad valorem* | .. | .. | .. | December 31st, 1953. |

Assistance asked for by the industry & Board's recommendations.

18. (a) The industry has asked for a total ban on imports, or in the alternative, protection for a period of not less than 6 years by imposing a protective duty at a rate which would make the prices of the imported product equal to the prices of the indigenous product.

(b) The industry has also asked for the following additional forms of assistance:-

(i) the supply of raw materials at controlled prices, on the ground that their present market prices are excessively high.

(ii) A liberal allocation of iron and steel products, such as M.S. sheets of deep drawing quality, galvanized wire, etc.

(iii) Removal of import control on non-ferrous metals or the grant of liberal import permits.

(iv) The development of indigenous production of brass tubes, brass sheets of deep drawing quality and other materials which are at present not produced in the country.

(v) Exemption from customs duty of imported raw materials, or at least refund of a part of the customs duty paid on such materials by the industry.

(vi) The grant of special freight rates for railtransport of raw materials and finished goods.

(vii) Facilities for booking on railways.

(viii) Facilities for import of up-to-date machinery.

(ix) Research and technical assistance facilities.

(x) Ban on the establishment of foreign concerns in India for the manufacture of oil pressure lamps.

(c) (i), (ii) and (iii) have been discussed elsewhere in the Report. The other important requests made by the industry are discussed below:-

(i) *Concessions in respect of the import duties on raw materials.*—The quantity of imported raw materials required by the industry is not very large and any concession in respect of the duties on such materials is not likely to make a material difference in the competitive position of the industry. We are, therefore, unable to recommend any such concession.

(ii) *Concessions in respect of transport facilities.*—We recognize that since oil pressure lamps are required for general consumption throughout the country, facilities for internal transport would be of material help in widening the market for this product. The question, however, has to be considered from other angles also and we, therefore, suggest that the Oil Pressure Industries Association should take it up directly with the Railway Board.

(iii) *Facilities for procurement of machinery.*— It has been represented to us that the superior quality of foreign oil pressure lamps is due to the use of automatic precision machines and that the employment of such machines by indigenous producers will not only improve the quality of the indigenous product but also lead to a progressive reduction in costs of production. We recommend that Government should give the manufacturers reasonable facilities for the procurement of improved machinery and appliances.

(iv) *Technical assistance.*— The industry should clearly specify the matters in respect of which technical assistance is required and apply to the Director-General of Industries and Supplies for necessary guidance and/or assistance in such matters.

(v) *Ban on the establishment of foreign concerns in India.*— With regard to the request of the industry that no new foreign concerns should be allowed to be established in India for the manufacture of oil pressure lamps, the Board does not consider it necessary to make any recommendation at this stage but would like each case to be dealt with on its merits in the light of the policy statement made by the Hon'ble the Prime Minister in the Constituent Assembly (Legislative) on 6th April, 1949.

(vi) *Ban on imports.*— The manufacturers have stated that when oil pressure lamps were on the O.G.L.XI list, large imports of this commodity came into the country and heavy stocks were built up which will last for a considerable time. It has been stated further that the concessional licences given to importers in consideration of the firm commitments made by them before the cancellation of O.G.L. XI in May, 1949, have enabled further large imports to come in during the latter half of 1949 and in the early part of the current year. In the absence of official statistics of imports of oil pressure lamps, we are not in a position to verify these statements. We understand, however, that during the shipping period, July-December, 1950, licences for imports of oil pressure lamps are going to be granted to established importers from Switzerland and soft and sterling currency areas. We discussed this matter at the

public inquiry with the representatives of importers who maintained that this import control policy during the current shipping period was justified by the shortage of oil pressure lamps in the country. From the data regarding the prices of imported lamps, however, it appeared that the present prices were far below the levels ruling in the early part of the O.G.L. period and did not indicate anything like an acute shortage of this commodity. Indeed, the prices of imported lamps have risen to some extent of late, but the rise is due partly to the general rise in the price level and partly to anticipations of a future shortage in view of the deterioration of the world political situation. From the figures of rated capacity given earlier in the Report, it should be evident that the indigenous industry is capable of meeting the entire domestic demand for lamps and lanterns of 100 to 400 c.p. and we, therefore, feel that any substantial increase in imports will hamper the domestic productive capacity being utilized and will thus entail a continuing waste of foreign exchange.

We have to point out that import control is maintained primarily on balance of payments grounds and is not intended to serve as an additional form of protection. We recognise that even the objective of conserving the foreign exchange resources of the country requires that the quantum of imports should be limited to what is needed to bridge the gap between domestic production and consumption. We think, however, that the present system of import control takes due account of this principle, and we have no doubt that in assessing the import requirements of the country in respect of oil pressure lamps for the purpose of import control, the conclusions reached by the Board

with regard to the domestic demand for oil pressure lamps and the rated capacity and production of this industry will be duly taken into consideration. This should amply safeguard the interests of the domestic industry and, we, therefore, consider it unnecessary to make a further recommendation on this point. Since, however, lamps having more than 400 c.p. are not produced in the country, imports of such lamps may be allowed on a liberal scale.

**Other recommendations.**

19. (1) We recommend that all the units manufacturing oil pressure lamps should become members of the Oil Pressure Industries Association which would look after their interests in their relations with Government as well as with the manufacturers of oil pressure lamps in other countries. This organisation should also undertake the collection of statistical data regarding production, imports and other aspects of the oil pressure lamps industry.

(2) We find that most of the oil pressure lamps manufacturers in India do not have a proper marketing organisation to have direct contact with the consumers. We recommend that a suitable marketing organisation should be set up by the industry.

(3) We consider that Government patronage offers an effective way of helping an indigenous industry, because the industry is thereby assured of a minimum demand for its products. We, therefore, recommend that Government Departments should obtain their requirements of oil pressure lamps of 100 to 400 c.p. from indigenous producers, provided the quality is satisfactory and the price is reasonable.

(4) Although there is enough demand in the country to absorb the entire output of the indigenous industry, we feel that, from a long-range point of view, it would be in the interest of those units which have attained the

necessary standard of efficiency to explore new markets in the neighbouring countries. We recommend that such units should be given assistance in this regard through the Government of India Trade Commissioners abroad.

Eligibility for protection.

20. (a) The conditions to be fulfilled by the oil pressure lamps industry in order to become eligible for protection or State assistance have been stated in paragraph 2 above. The first condition to be satisfied is that the industry is established and conducted on sound business lines. As already stated in paragraph 3, 4 units of the industry have been costed by our Assistant Cost Accounts Officer. From his cost report as well as from the evidence we have had before us, we are satisfied that the principal units in the industry are established and conducted on sound business lines.

(b) The second condition to be fulfilled is that, having regard to the natural or economic advantages enjoyed by the industry and its actual or probable costs, it is likely within a reasonable time to develop sufficiently to be able to carry on successfully without protection or State assistance. With regard to this condition, it has been pointed out earlier in this report that most of the raw materials required by this industry are available in sufficient quantities in the country to enable the existing units to produce to their maximum capacity. If, as recommended by us, the industry makes co-operative arrangements to purchase its requirements of raw materials, its costs of production could be substantially reduced. Moreover, the measure of protection recommended by us should encourage the industry to step up its production and this will also result in lower costs. We think that the industry has excellent prospects of development and should be able within a reasonable time to dispense with protection or State assistance. We consider, therefore, that the industry fulfils the conditions laid down by Government and is accordingly eligible for protection.

21. In paragraph 17 above, we have recommended only the conversion of the existing revenue duty into a protective duty and hence no additional burden will be imposed on the consumer by the measure of protection proposed by us.

Burden of protection.

22. Under paragraph 2 of the Commerce Ministry Resolution No. 30-T(1)/48, dated 6th August, 1948, the Board is authorized to maintain a continuous watch over the progress of a protected industry so as to ensure that the protected industry is being run efficiently. For this purpose, it is necessary that the Board should be in possession of relevant statistics and facts bearing on the development of the industry. We, therefore, recommend that all the units in the industry should submit annual progress reports to the Board by 31st January of every year, giving information regarding production, sales, stocks, cost of production and selling prices. Such reports should also include information regarding the supply of raw materials, the landed costs and selling prices of the imported product and other factors that may have a bearing on the competitive position of the industry.

Watch to be maintained over the progress of the industry.

23. Our conclusions and recommendations are summarized as follows:-

Summary of conclusions and recommendations.

(i) The scope of the present inquiry is confined to all types of oil pressure lamps having 100 to 400 candle power. [Paragraph 4]

(ii) Only 8 firms are at present actually manufacturing oil pressure lamps. Of these, 4 are in Calcutta, 3 in Bombay and 1 in Delhi. The total capital invested in the industry is about Rs. 13 lakhs and the total number of workers employed is about 600. [Paragraph 5(b)]

(iii) Most of the raw materials except block tin and lead are produced in the country. [Paragraph 6(c)]

(iv) The industry should make arrangements to pool together the requirements of brass sheets, brass rods etc., of individual factories and place bulk orders on the manufacturers. [Paragraph 6(e)]

(v) The Ministry of Industry and Supply or the State Governments, as the case may be, should make a liberal allocation of mild steel sheets of the required gauges and specifications to meet the requirements of this industry. [Paragraph 6(e)]

(vi) An oil pressure lamp consists of about 70 different parts and their manufacture involves about 500 to 600 subsidiary operations. The equipment required consists mainly of lathes and presses. [Paragraph 7(a)]

(vii) Oil pressure lamps are used, wherever lighting of high candle power is required, particularly in the absence of other alternative means of such illumination. There are various types of oil pressure lamps of different candle power and shapes to suit different purposes, such as hanging lamps, lanterns, table lamps, etc. [Paragraphs 8(a) and (b)]

(viii) The demand for oil pressure lamps for the next few years is likely to be of the order of 90,000 lamps of all types per annum. Of this, about 10 per cent. would be for oil pressure lamps of more than 400 candle power and the rest for oil pressure lamps of 100 to 400 candle power. The total demand for oil pressure lamps of 100 to 400 candle power may thus be estimated at about 81,000 per annum during the next three years. [Paragraph 9(b)]

(ix) The indigenous producers are mostly manufacturing the hand-type lamps or lanterns of 100 to 400 candle power, and only a few producers have so far taken up the manufacture of hanging or suspension lamps with a similar range of candle power. [Paragraph 10(a)]

(x) The 8 factories known to be producing oil pressure lamps have a total rated capacity of 91,000 lamps per

annum and their total production in 1949 was about 34,000 lamps. Similar figures for other factories are not available. The producers have stated that their failure to utilize the productive capacity to the full extent was due to their inability to obtain sufficient supplies of the required raw materials and the slower offtake of the finished products as a result of increased imports. [Paragraph 10(b)]

(xi) Given adequate raw materials, the industry should be able to meet the entire requirements of the country for this article. But if lamps of the requisite quality are to be produced on a mass scale, the industry will have to carry out considerable re-equipment and rationalization of production. [Paragraph 10(c)]

(xii) So far as the varieties in common use are concerned, the quality of the indigenous product is satisfactory and comparable to similar types of imported lamps. There is, however, considerable scope for improvement. The defects mentioned in paragraph 11 can be remedied without difficulty and should be removed as early as possible. [Paragraph 11]

(xiii) Arrangements should be made in each factory to have the lamps carefully tested before despatch. [Paragraph 11]

(xiv) The Indian Standards Institution should formulate standard specifications for the products of this industry and the manufacturers should conform to such specifications when formulated. [Paragraph 11]

(xv) Imports of oil pressure lamps should in future be recorded separately in the Sea-borne Trade Accounts. [Paragraph 12(a)]

(xvi) The c.i.f. price of Rs. 30-2-6 for Solex lamps of which large imports have come in recently from Italy has been adopted in assessing the quantum of protection

needed by the domestic industry. Due allowance has, however, been made for the appreciably lower prices at which Tilley's oil pressure lamps are likely to be imported. [Paragraph 14]

(xvii) The fair selling price of indigenous oil pressure lamps is Rs. 32-10-6. [Paragraph 15(b)(v)]

(xviii) The existing revenue duty of 30 per cent. should be converted into a protective duty at the same rate. There are no imports of this article from Burma and hence the preferential duty of 12 per cent. *ad valorem* may be retained for imports from Burma in order to maintain the *status quo*. The duties should remain in force up to 31st December, 1953. [Paragraph 17(a)]

(xix) Should the c.i.f. price of imported oil pressure lamps and lanterns fall appreciably below Rs. 30-2-6 per piece and should large imports begin to enter the country at such lower price at any time during the period of protection as to jeopardize the position of the indigenous industry, the industry may approach the Board for necessary adjustments in the rates of protective duty under Section 4(1) of the Indian Tariff Act, 1934. [Paragraph 17(b)]

(xx) If our recommendation regarding the grant of protection to the oil pressure lamps industry is accepted, the revised Tariff Schedule will be as indicated in paragraph 17(c). [Paragraph 17(c)]

(xxi) We do not recommend any concession in respect of the import duties on raw materials. [Paragraph 18(c)(i)]

(xxii) The question of transport concessions and provision of better transport facilities to the industry should be taken up by the Oil Pressure Industries Association directly with the Railway Board. [Paragraph 18(c)(ii)]

(xxiii) Government should give the manufacturers reasonable facilities for the procurement of improved machinery and appliances. [Paragraph 18(c)(iii)]

(xxiv) The industry should clearly specify the matters in respect of which technical assistance is required and apply to the Director-General of Industries and Supplies for necessary guidance and/or assistance in such matters. [Paragraph 18(c) (iv)]

(xxv) As regards the request of the industry that no new foreign concerns should be allowed to be established in India, each case should be dealt with on its merits in the light of the policy statement made by the Hon'ble the Prime Minister in the Constituent Assembly (Legislative) on 6th April, 1949. [Paragraph 18(c) (v)]

(xxvi) The request of the industry for a ban on imports has been discussed in paragraph 18(c) (vi). Since lamps having more than 400 c.p. are not produced in the country, imports of such lamps may be allowed on a liberal scale. [Paragraph 18(c) (vi)]

(xxvii) All the units manufacturing oil pressure lamps should become members of the Oil Pressure Industries Association (India), Calcutta, which should collect statistical data regarding production, imports and other aspects of the oil pressure lamps industry. [Paragraph 19(1)]

(xxviii) A suitable marketing organization should be set up by the industry. [Paragraph 19(2)]

(xxix) Government Departments should obtain their requirements of oil pressure lamps of 100 to 400 c.p. from indigenous producers, provided the quality is satisfactory and the price is reasonable. [Paragraph 19(3)]

(xxx) It would be in the interest of those units which have attained the necessary standard of efficiency to explore new markets in the neighbouring countries and assistance in this regard should be given through the Government of India Trade Commissioners abroad. [Paragraph 19(4)]

(xxxi) The industry fulfils all the conditions laid down by Government for the grant of protection or assistance and is accordingly eligible for protection. [Paragraph 20(b)]

(xxxii) As we have recommended only the conversion of the existing revenue duty into protective duty, no additional bruden will be imposed on the consumer by the proposed measure of protection. [Paragraph 21]

(xxxiii) All the units in the industry should submit annual progress reports to the Board by 31st January of every year, giving information regarding production, sales, stocks, cost of production and selling prices. Such reports should also include information regarding the supply of raw materials, the landed costs and selling prices of the imported product and other factors that may have a bearing on the competitive position of the industry. [Paragraph 22]

**Acknowledgements.**

24. We wish to acknowledge the help we have received from the producers, importers, consumers and Associations and Central and State Governments whose representatives furnished us with information and gave evidence before us. We also wish to thank Shri P. L. Kumar of the Development Directorate (Mechanical), D. G., I. & S., New Delhi, and Shri S. V. Rajan, Assistant Cost Accounts Officer attached to the Board, for their assistance in connection with the inquiry.

B. V. NARAYANASWAMY NAIDU,
*Member*.

B. N. ADARKAR,
*Member*.

R. DORAISWAMY,
*Secretary*.

Bombay,
*The 21st August, 1950.*

APPENDIX I

(*Vide* paragraph 1)

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE

*New Delhi, the 28th April, 1949.*

RESOLUTION

(Tariffs)

No.1-T/A(20)/49.-In pursuance of paragraphs 2 and 7 of their Resolution in the Department of Commerce No. 218-T(55)/45, dated the 3rd November, 1945, and paragraph 4 of their Resolution bearing the same number, dated the 16th February 1946, the Government of India have decided to refer to the Tariff Board for investigation applications for assistance or protection received from the following industries:-

(i) Sterilised surgical catgut,
(ii) Buttons,
(iii) Pencils,
(iv) Electric brass lamp holders,
(v) Belt fasteners,
(vi) Oil pressure lamps, and
(vii) Fine chemicals.

2. In conducting the enquiries, the Board will be guided by the principles laid down in paragraph 5 of the Resolution, dated the 3rd November 1945, referred to in paragraph 1 above.

3. Firms or persons interested in any of these industries or in industries dependent on the use of these articles, who desire that their views should be considered by

the Tariff Board, should address their representations to the Secretary to the Board, Contractor Building, Ballard Estate, Nicol Road, Bombay 1.

S. RANGANATHAN,

*Joint Secretary to the Government of India.*

सत्यमेव जयते

## APPENDIX II

[*Vide* paragraph 3 (a)]

## LIST OF FIRMS OR BODIES TO WHOM THE BOARD'S QUESTIONNAIRES WERE ISSUED AND THOSE WHO REPLIED OR SENT MEMORANDA.

* indicates those who replied to the preliminary questionnaire.

@ indicates those who replied to the standard questionnaire.

X indicates those who sent memoranda.

I. PRODUCERS:

1. Madan Anant and Co., 33-N, Tadi Pitha Lane, Fanaswadi, Bombay.
2. Bijlee Products Ltd., 36, Lamington Road, North Bombay.
3. Bombay Incandescent Light Co., Pydonie, Bombay.

@* 4. Dazzle Products Ltd., 42/1, Chetla Road, Alipore, Calcutta.

* 5. Esbee Engineering Works, 25-B, Beniatolla Lane, P.O. Amherst Street, Calcutta 9.

6. S. N. Gandhi, Dhrangadhrawalla, Pydonie, Bombay.

@* 7. Krudd Industries Ltd,, 20-21, Stephen House, Dalhousie Square, Calcutta 1.

8. Mahalaxmi Glass Works, Haines Road, Bombay.
9. B. M. Malegaonkar & Co., Hospital Avenue Road, Bombay.

@* 10. The New Bombay Mechanical Works, Khetwadi, 10th Lane, Bombay 4.

11. Paisa Fund Glass Works, Talegaon (Dabhade), Poona District.

@* 12. C. S. Pochee and Son, 586, Chira Bazar, Girgaum Road, Bombay 2.

@* 13. Prabhat Products Co., Noble Chambers, Parsee Bazar Street, Bombay 1.

PRODUCERS: *contd.*

14. F. Racek and Co., P.B. No. 2006, Lohar Street, Bombay.
15. Sarabhai & Co., Western India House, Sir P.M. Road, Fort, Bombay.

@ 16. Shilpa-Peeth Ltd., 111-1, Gopal Lal Thakur Road, Alambazar, Calcutta.

@ 17. Star Light Industries, 1032, Suiwalan, Delhi.

18. Vijaya Glass Works, Tram Terminus, Mazagaon, Bombay.

II. IMPORTERS.

@ 1. Abbas & Co., 313, Abdul Rehman Street, Bombay 3.

2. E.M. Abdulla & Co., 315/318, China Bazar Road, Madras.

@ 3. Addison & Co. Ltd., 158, Mount Road, Madras.

@4. Asian Importers, 6-A, Surendra Nath Banerjee Road, Calcutta.

@5. Bombay Stove & Hardware Depot, T.G. Shah Building, Pydonie Junction, Bombay 3.

@6. Mr. J. K. Chatterjee, P.B. No. 599, 6-A, Surendra Nath Banerjee Road, Calcutta.

7. Satcowrie Das & Co., 196, Old China Bazar Street, Calcutta.
8. Poppat Jamal & Sons, Broadway, Madras.
9. Ali Mohamed Jinnah & Co., Rattan Bazar, Madras.
10. Ali Mohamed Jinnah & Co., Rasen Bazar, Calcutta.
11. Kasamali & Co., P. B. No. 1607, Bunder Street, Madras.
12. Manubhai Sons & Co., Manu Mansions, 16, Old Customs House Road, Fort, Bombay.

@13. Roberts Mclean & Co. Ltd., 31, Netaji Subhas Road, Calcutta.

@14. G. Melnikoff, Vithal Sayana Building, P.O. Box 77, Lohar Street, Bombay.

15. Peer Mohamed & Co., China Bazar Street, Madras.
16. Mugatlal and Bros., Pydonic Tram Junction, Bombay 3.

IMPORTERS: contd.

17. Sujauddin Nazarelly, 86, Mint Road, Bombay.
@18. Mohamed Jaffar Nassur & Co., 31/43, Chakla Street, Bombay.
19. Kanji Shivji Parekh, Canning Street, Calcutta.
20. Pioneer Consolidated Company of India Ltd., 5, Scindia House, New Delhi.
21. Bepin Behari Paul, 9, Old China Bazar Street, Calcutta.
22. Hirji Pestonji, Arab Street, Grant Road Corner, Bombay.
23. F. Racek & Co., P. B. No. 2006, Lohar Street, Bombay.
24. Abdul Rehman & Bros., 13, Evening Bazar Road, Madras.
@25. H. T. Shah, Bombay.
26. K. S. Shivji, Broadway, Madras.
27. K. S. Shivji & Co., Chakla Street, Bombay.
@28. Hugo Wachsmann (India) Ltd., Fern House, Colaba Causeway, Bombay 1.

III. CONSUMERS :

1. Mohamed Hanif Mohamed Anis, Meston Road, Kanpur (U.P.).
@2. The Associated Agencies and Distributors, 33-B, Ezra Street, Calcutta.
@3. M. J. Bhavnagarwalla, Pydonic Junction, Bombay 3.
@4. Britannia Stores, 2, Portuguese Church Street, Calcutta.
5. Building Material Stores, Sivaji Chowk, Laskhar.
@6. Cheap Light House, Sadar Bazar, Delhi.
@7. Kasim Chackoo, 288, China Bazar Road, Madras.
@8. Controller of Stores, B. B. & C.I. Railway, Bombay.
@9. Controller of Stores, G.I.P. Railway, Gipstore Lane, Lower Parel, Bombay.

CONSUMERS: *contd.*

@10. Controller of Stores, Bombay Port Trust, Mazgaon, Bombay 10.

@11. Controller of Stores, B.N.Railway, Calcutta.

@12. Controller of Stores, M.S.M. Railway, Perambur, Madras.

@13. Controller of Stores, E.I. Railway, Calcutta.

@14. Controller of Stores, S.I. Railway, Negapatam.

15. Controller of Stores, B.A. Railway, Calcutta.

@16. Controller of Stores, Bombay Municipality, 566, Delisle Road, Bombay 11.

17. Radhakant Dass & Co., Old China Bazar Street, Calcutta.

18. Satcowrie Dass & Co., 196, Old China Bazar Street, Calcutta.

19. Gupta Electric Works, 1, Jahar Square, Allahabad (U.P.).

20. M.A. Hussain, 55, Canning Street, Calcutta.

21. H. Abdul Jabbar and Sons, Trikonia Bazar, Agra (U.P.).

22. Poppat Jamal & Co., Madras.

23. Babulal Kanjilal, Bisati Bazar, Jhansi.

@24. A.R. Khaleel and Sons, 743, Chickpet, Bangalore City.

@25. I. B. Misra & Co., Sadar Bazar, Delhi.

@26. Behre Mullaji Shop, Itwari, Nagpur City.

@27. New India Trading Co., 46, Churchgate Street, Bombay.

28. Kanji Shivji Parekh, Block H, 55, Canning Street, Calcutta.

29. Shankarlal Paul and Bros., 182, Old China Chowk, Calcutta.

30. The Pioneer Consolidated Co. of India Ltd., 5, Scindia House, New Delhi.

X31. F. Racek and Co., Lohar Chawl, P.B. No. 2006, Bombay.

CONSUMERS: *contd.*

32. Sakchi Star Repairing Works, Sakchi, Jamshedpur.
@33. H. T. Shah, Gol Pitha, Ahmed Building, Bombay.
34. S. M. Sharif and Sons, Meston Road, Kanpur (U.P.).
35. K. S. Shivji and Co., Broadway Street, Madras.
36. Steel Corporation of Bengal, 12 Mission Row, Calcutta.
@37. Hugo Wachsmann (India) Ltd., Fern House, Colaba Causeway, Bombay.
38. Mhd. Yud and Sons, Banaras.

IV. ASSOCIATIONS:

1. All India Manufacturers' Organisation, Industrial Assurance Building, Opposite Churchgate Station, Bombay.
2. Association of Indian Industries, Industrial Assurance Building, Churchgate, Bombay.
3. Engineering Association of India, 23-B, Netaji Subhas Road, Calcutta.
4. Bombay Light Merchants' Association, C/o. Jivraj and Sons, Vithal Sayana Building, Lohar Chawl, Bombay 2.

X5. Oil Pressure Industries (India), 42/1, Chetla Road, Calcutta.

# APPENDIX III

[*Vide* paragraph 3(d)]

## LIST OF PERSONS WHO ATTENDED THE PUBLIC INQUIRY ON 27TH AND 28TH JUNE, 1950

A. PRODUCERS:

| | | |
|---|---|---|
| 1. Mr. Hiralal Chakraborty | Representihg | Dazzle Products Ltd. 42/1, Chetla Road, Alipore, Calcutta. |
| 2. Mr. V. Kasninathan | " | Krudd Industries Ltd. 20-21, Stephen House, Dalhousie Square, Calcutta. |
| 3. Mentaji P. J. Pandya<br>4. Mr. K. V. Dandekar | " | The New Bombay Mechanical Works, Khetwadi, 10th Lane, Bombay. |
| 5. Mr. Dhunjisha Sorabji Pochee<br>6. Mr. Barjorji K. Fitter | " | C.S. Pochee & Sons, 586, Chira Bazar, Girgaum Road, Bombay. |
| 7. Mr. Kantilal M. Sharma | " | Prabhat Products Co., Noble Chambers, Parsi Bazar Street, Bombay. |
| 8. Mr. P. K. Dutta | " | Shilpa-Peeth Ltd., 111-1, Gopal Lal Thakur Road, Alam Bazar, Calcutta. |
| 9. Mr. Santan Ditta | " | Starlight Industries, 1032, Suiwalan, Delhi. |

PRODUCERS: *contd.*

| | | |
|---|---|---|
| 10. Mr. K. Gangoli | Representing | Oil Pressure Industries Association (India), 42/1, Chetla Road, Calcutta. |
| 11. Dr. L. C. Jariwala | | All India Manufacturers' Organisation, Industrial Assurance Building, Opp: Churchgate Station, Bombay. |
| | | Association of Indian Industries, Industrial Assurance Building, Opp: Churchgate Station, Bombay. |

3. IMPORTERS;

| | | |
|---|---|---|
| 12. Mr. J.K. Chaterjee | " | Mr. J.K. Chatterjee, P.B. No. 599, 3-A, Surendra Nath Banerjee Road, Calcutta. |
| | | Addison & Co. Ltd., 158, Mount Road, Madras. |
| 13. Mr. J. N. Gagrat } 14. Mr. T. N. Sen } | " | F. Racek & Co., Lohar Street, Bombay. |
| 15. Mr. R.C. Atterton | " | Roberts Maclean & Co. Ltd., 31, Netaji Subhas Road, Calcutta. |
| 16. Mr. George Melnikoff | " | G. Melnikoff, P.O. Box 771, Vithal Sayana Building, Lohar Street, Bombay. |
| 17. Mr. Y.H. Nassur | " | Mohamed Jaffar Nassur and Co., 31/43, Chakla Street, Bombay. |

IMPORTERS: *contd.*

| | | |
|---|---|---|
| 18. Mr. M. T. Shah | Representing | Bombay Stove & Hardware Depot, T.G. Shah Building, Pydonie Junction, Bombay. |
| 19. Mr. Hugo Wachsmann | " | Hugo Wochsmann (India) Ltd., Fern House, Colaba Causeway Bombay. |
| 20. Mr. Jivraj A. Sanghavi<br>21. Mr. Shantilal M. Shah | " | Bombay Light Merchants' Association, Vithal Sayana Building, Lohar Street, Bombay. |
| 22. Mr. J. E. Dyson | " | Oil Burning Apparatus Association, Chamber of Commerce, 95, New Street, Birmingham, U.K. |

C. CONSUMERS:

| | | |
|---|---|---|
| 23. Mr. E. Novrozali<br>24. Mr. S.J. Novrozali | " | M. J. Bhavnagarwalla, D.D. Baria Building, Pydonie, Bombay. |
| 25. Mr. V.J. Kotecha | " | Britannia Stores, 2, Portuguese Church Street, Calcutta. |
| 26. Mr. H.H.Wenmoth | " | Controller of Stores, B.B. & C.I. Railway, Bombay. |
| 27. Mr. S.G. Gnosalkar | " | Controller of Stores, G.I.P. Railway, Bombay. |
| 28. Mr. Nagin H. Shah | " | H.T. Shah & Co., Gol Pitha, Ahmed Building, Bombay. |

D. MANUFACTURERS OF RAW MATERIALS:

| | | |
|---|---|---|
| 29. Mr. B. K. Navitia | " | The Indian Smelting & Refining Co.Ltd., Bombay. (Principal: Birla Bros. Ltd., 8, Royal Exchange Place, Calcutta.) |

MANUFACTURERS OF RAW MATERIALS: *contd.*

| | | |
|---|---|---|
| 30. Mr. J.L. Dickie | " | Gillanders Arbuthnot & Co. Ltd., 8, Netaji Subhas Road, Calcutta. |
| 31. Mr. K.G. Shah<br>32. Mr. H. N. Misra | " | Kamani Metals & Alloys Ltd., Kamani Chambers, Nicol Road, Ballard Estate, Bombay. |

E. OFFICIAL:

| | | |
|---|---|---|
| 33. Mr. V.V. Apte | " | Director of Industries Government of Bombay, Bombay. |

# APPENDIX IV

[ *Vide* paragraph 6(c) ]

*Statement showing the rates of import duties leviable on the different non-ferrous metals.

*Source: First Schedule of the Indian Customs Tariff (32nd issue)

| S.No. | Name of article | Item No. of the I.C.T. | Nature of duty | Standard rate of duty | Preferential rate of duty if the article is the produce or manufacture of | | | Duration of protective rates of duty |
|---|---|---|---|---|---|---|---|---|
| | | | | | The U.K. | A British Colony | Burma | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1. | Copper, wrought and manufactures of copper, all sorts not otherwise specified: | 64 | | | | | | |
| | (a) of British Manufacture | | Protective | 24 per cent ad valorem | .. | .. | .. | December 31, 1951 |
| | (b) not of British Manufacture | | Protective | 36 per cent ad valorem | .. | .. | .. | December 31, 1951 |
| 2. | Copper, scrap % | 64(1) | | Free | .. | .. | .. | |
| 3. | Copper unwrought, ingots, blooms, slabs, cakes, ties, blocks, bricks, billets, cathodes, blister, bars (electrolytic wire bars) @ | 64(2) | .. | Free | .. | .. | .. | |
| 4. | Copper rods, other than electrolytic copper rods: | 64(3) | | | | | | |
| | (a) of British Manufacture | | Protective | 35 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| | (b) not of British Manufacture | | Protective | 45 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 5. | Electrolytic copper rods or black copper rods (in coils): | 64(4) | | | | | | |
| | (a) of British Manufacture | | Protective | 20 per cent ad valorem | .. | .. | .. | December 31, 1951 |
| | (b) not of British Manufacture | | Protective | 30 per cent ad valorem | . | .. | .. | December 31, 1951 |

APPENDIX IV– *contd.*

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| 6. | All non-ferrous nickel alloys including German silver, nickel silver and cupro-nickel:- | 65 | | | | | | |
| | (a) Containing 40 per cent or less by weight of nickel | | Protective | 30 per cent ad valorem | .. | .. | .. | December 31, 1951 |
| | (b) Containing more than 40 per cent by weight of nickel | | Revenue | 30 per cent ad valorem | .. | .. | .. | |
| 7. | Nickel, pellets, cakes, slabs, anodes., shorts, blocks, granules and scraps. | 65(1) | | Free | .. | .. | .. | |
| 8. | Aluminium manufactures, the following namely*- | 66 | | | | | | |
| | (a) Plates, sheets, circles, strips and foil, including foil in any form or size ordinarily used as parts and fittings of tea-chests | | Protective | 30 per cent ad valorem plus Rs.121 per ton | .. | .. | .. | May 14, 1952 |
| | (b) Other manufactures, not otherwise specified | | Revenue | 30 per cent ad valorem | .. | Free | .. | |
| 9. | Aluminium in any crude form including ingots, bars, blocks, slabs, billets, shots and pellets* | 66(1) | Protective | 30 per cent ad valorem plus Rs.328 per ton | .. | .. | .. | May 14, 1952 |
| 10 | Lead, wrought, the following articles, namely, pipes, tubes and sections | 67 | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 11. | Lead sheets for tea-chests | 67(1) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 12. | Lead sheets other than sheets for tea-chests | 67(2) | Protective | 20 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 13. | Lead ingots, pigs and lead scrap @ | 67(3) | | Free | .. | .. | .. | |
| 14. | Zinc or spelter, wrought or manufactured, not otherwise specified. | 68 | protective | 30 per cent. Ad valorem | | | Free | December 31, 1951. |

APPENDIX V - contd.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| 15. | Zinc, unwrought, including cakes, bars, blocks, ingots tiles (other than boiler tiles), hard or soft slabs and plates, dust, dross and ashes, and broken zinc @ | 68(1) | | Free | .. | .. | .. | |
| 16. | Zinc sheets not otherwise specified | 68(2) | Protective | 20 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 17. | Mazak or alloys of zinc and aluminium containing not less than 94 per cent zinc | 68(3) | | Free | .. | .. | .. | |
| 18. | Tin, Block | 69 | | Free | .. | .. | .. | |
| 19. | Tin scrap and tinplate scrap | 69(1) | | Free | .. | .. | .. | |
| 20. | Tin solders, white metal and antifriction alloys | 69(2) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 21. | Brass, wrought and manufactures thereof not otherwise specified | 70 | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 22. | All non-ferrous alloys and manufactures of metals and alloys not otherwise specified<br>Provided that any alloys or manufactures containing more than 97 per cent of Aluminium shall be deemed to be aluminium in a crude form or aluminium manufactures, as the case may be, and dutiable as such | 70(1) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 23. | Crude Antimony | 70(2) | Protective | 20 per cent ad valorem | .. | .. | Free | December 31, 1952 |

APPENDIX IV- contd.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| 24. | Antimony, other than crude antimony | 70(3) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1952 |
| 25. | Brass, unwrought, ingots, billets, cakes, slabs, blooms (excluding scrap), that is to say, ingots, etc., containing (1) copper 55 to 74 per cent, (2) zinc 26 to 42 per cent and (3) components other than copper and zinc including impurities not exceeding 3 per cent, of which not more than one-half should be tin | 70(4) | Protective | 10 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 26. | Brass wires and rods | 70(5) | Protective | 35 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 27. | Yellow metal alloys other than brass, such as gun-metal, bronze, bell-metal and phosphor-bronze and manufactures thereof not otherwise specified | 70(6) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |
| 28. | Chromium, tungsten, magnesium and all other non-ferrous virgin metals not otherwise specified | 70(7) | Cobalt, | Free | .. | .. | .. | |
| 29. | All non-ferrous metal scraps and scraps of alloys of non-ferrous metals not otherwise specified. | 70(8) | | Free | .. | .. | .. | |
| 30 | Type metal | 70(9) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| 31. | Bare hard drawn or annealed electrolytic copper wires and cables of all sizes solid or stranded and A.C.S.R. (aluminimum conductor steel reinforced | 72(12) | Protective | 30 per cent ad valorem | .. | .. | Free | December 31, 1951 |

% Under Government of India, Ministry of Finance (Revenue Division), Notification No. 42-Customs dated the 9th October, 1948, article specified in this item is exempt from the payment of customs duty leviable thereon, provided it is the produce or manufacture of Pakistan and is imported therefrom into any State of India.

* Under Government of India, Ministry of Commerce, Notification No.3(2)-T.B./50, dated the 15th May, 1950, the existing rate of duty specified in column 3 of the following table in respect of the articles mentioned in column 2 shall be modified as indicated in the corresponding entry in column 4 of the said table-

| Item No. of Tariff (1) | Name of articles (2) | Existing rate of duty (3) | Modified duty (4) |
|---|---|---|---|
| 66 | Aluminium manufactures, the following namely:- (a) plates, sheets, circles, strips and foil in any form or size ordinarily used as parts and fittings of tea-chests. | 30 per cent ad valorem plus Rs. 121 per ton | 30 per cent ad valorem plus Rs. 46 per ton. |
| 66(1) | Aluminium in any crude form, including ingots, bars, blocks, slabs, billets, shots and pellets | 30 per cent ad valorem plus Rs. 328 per ton | 30 per cent ad valorem plus Rs. 237 per ton. |

@ These are GATT items.

## APPENDIX V.

[*Vide* paragraph 7(a)]

***List of the important parts of an oil pressure lamp and the materials used for their manufacture.***

| Items | Type of material |
|---|---|
| 1. Brass tank | 22G Brass sheets |
| 2. Tank bottom | 20G " " |
| 3. Bottom casing | 22G " " |
| 4. Top-hood | 22G " " |
| 5. Top for hood | 22G " " |
| 6. Spirit cup | " " |
| 7. Pump cup | 16G " " |
| 8. Frame ring | 22G M.S. " |
| 9. Centre bottom plate | 22G " " |
| 10. Inner casing plate | 22G " " |
| 11. Inner casing collar | " " |
| 12. Concave | " " |
| 13. Frame rods (4 Nos. per unit) | 3/16" Brass bars round |
| 14. Vapour tube body | ½" " " " |
| 15. Vapour tube nipple | 7/16" " " " |
| 16. Excentre rod | 1/4" " " " |
| 17. Excentre brass washer | 1/4" " " " |
| 18. Spirit can socket | ½" " " " |
| 19. Spirit can socket plug | 5/8" " " " |
| 20. Guidance or conducting piece | 5/16" " " " |
| 21. Needle rod | 1/8" " " " |
| 22. Vapour tube nut | 9/16" Brass bars hexagonal |
| 23. Excentre nut | 3/8" " " " |
| 24. Excentre nipple | 3/8" " " " |
| 25. Pump rod (piston rod) | 3/16" " " round |
| 26. Tank socket for cock | Admiralty Gunmetal |
| 27. Tank socket for oil plug | " " |
| 28. Tank socket for pressure gauge | " " |
| 29. Pump valve bottom | " " |
| 30. Oil plug | " " |

| Items | Type of material |
| --- | --- |
| 31. Pump piston plate | Gunmetal brass |
| 32. Pump Button | " " |
| 33. Gas chamber | " " |
| 34. Check nuts for mixing tube | " " |
| 35. Frame rod screws 2 pieces | " " |
| 36. Frame button " " | " " |
| 37. Air release key | " " |
| 38. Tank cock | Admiralty Gunmetal |
| 39. Vapour coil | Brass Tube 1/4" |
| 40. Vapour tube centre piece pipe (Body to nipple) | " " 9/32" |
| 41. Feed wire for oil cock | " " 5/32" |
| 42. Pump barrel | " " 5/8" |
| 43. Mixing tube | " " $\frac{1}{2}$" |
| 44. Spirit can tube | " " 1/8" |
| 45. Needle key | " " 1/8" |
| 46. Galvanized wire handle | Galvanized wire |
| 47. Spirit can top cover | Tin sheets |
| 48. Spirit can bottom | " " |
| 49. Spirit can cylinder | " " |
| 50. Bend (mixing tube) rest channel | Galvanized sheet |
| 51. Mixing tube washers | Galvanized sheet |
| 52. Spanner | M.S. plate |
| 53. Nipples (2 pieces in 1 lantern) | Purchased parts |
| 54. Needle pins (2 pieces in 1 lantern) | |
| 55. Pump valve | " " |
| 56. Pressure gauge (imported) | " " |
| 57. Mantle | " " |
| 58. Funnel | " " |
| 59. Fibre washers for oil plug (2 pieces) | " " |
| 60. Leather pump washers (2 pieces) | " " |
| 61. Excentre bakelite disc | " " |
| 62. Centre bottom plate screw 3/16". | " " |
| 63. Excentre check nut | " " |
| 64. Lead washer for oil cock | " " |
| 65. Lead washer pressure gauge | " " |
| 66. Lead washer for pump valve | " " |
| 67. Rivets for top-hood | " " |
| 68. Clay holder imported | - |

## APPENDIX VI

[ *Vide* paragraph 9(b) ]

*Statement showing the quantity and value of imports of metal lamps during the period from 1936-37 to 1948-49-*

| Year of Import | Lamps Metal | | Parts of Lamps other than Glass | |
|---|---|---|---|---|
| | Quantity pcs. | Value Rs. | Quantity pcs. | Value Rs. |
| 1936-37 | 16,65,607 | 43,55,195 | - | 3,34,440 |
| 1937-38 | 60,63,985 | 56,23,223 | - | 4,67,505 |
| 1938-39 | 27,45,793 | 30,99,486 | - | 3,35,919 |
| 1939-40 | 24,54,558 | 24,59,514 | - | 3,26,788 |
| 1940-41 | 9,06,291 | 9,87,947 | - | 1,73,064 |
| 1941-42 | 12,91,047 | 14,41,365 | - | 2,05,164 |
| 1942-43 | 1,33,977 | 2,72,055 | - | 59,348 |
| 1943-44 | 1,28,224 | 3,02,635 | - | 52,141 |
| 1944-45 | 1,57,105 | 4,02,235 | - | 28,204 |
| 1945-46 | 1,45,251 | 3,83,601 | - | 1,07,471 |
| 1946-47 | 5,48,490 | 17,32,410 | - | 85,000 |
| 1947-48 | 12,22,026 | 43,52,226 | - | 3,90,602 |
| 1948-49 | 5,88,841 | 22,66,241 | - | 2,02,155 |

APPENDIX VII

[ *Vide* paragraph 10(b) ]

*Statement showing capital invested, rated capacity, actual production, etc. for the 8 factories which are known to be producing oil pressure lamps at present.*

| S.No. | Name and address of manufacturer | Location of factory | Date of commencement of production | Capital invested Rs. | Number of workers employed | Rated capacity (in Nos.) | Actual Production (in Nos.) 1946 | 1947 | 1948 | 1949 | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | C.S. Pochee & Son, 586, Chira Bazar, Girgaum Road, Bombay 2. | 586, Chira Bazar, Girgaum Road, Bombay. | 1937 | 1,20,000 | 40 | 12,000 | 3,498 | 2,366 | 2,930 | 2,320* | |
| 2. | Dazzle Products, 133, Canning Street, Calcutta. | 7 & 8 Goho Street, Howrah. | 1941 | 2,00,000 | 250 | 24,000 | 10,069 | 14,243 | 13,320 | 11,520 | |
| 3. | Esbee Engineering Works, 23-B, Benia-tolla Lane, P.O. Amherst Street, Calcutta 9. | | 1941 | 60,000 | 32 | 6,000 | 505 | 661 | 302 | 650 (up to May) | |
| 4. | Prabhat Products Co., Noble Chambers, Parsee Bazar, Bombay. | Prabhat Wadi, Love Lane, Bombay 27. | 1942 | 4,35,000 | 51 | 10,000 | 1,657 | 1,474 | 1,950 | 3,410 | |
| 5. | Krudd Industries, 20-21, Stephen House, Dalhousie Square, Calcutta. | 140, Howrah Road, Howrah. | 1948 | 3,00,000 | 150 | 27,000 | — | — | 11,200 | 12,000 | |
| 6. | The New Bombay Mechanical Works, Khetwadi 10th Lane, Bombay 4. | 10th Khetwadi Lane, Bombay. | | 70,000 | 36 | 7,000 | 4,400 | 3,778 | 3,600 | 2,500 | |
| 7. | The Starlight Industries, 1032 Swiwalan, Delhi. | | 1945 | 55,000 | 47 | 4,500 | -- | 2,000 | 1,500 | 1,200 | Reduced production was due to inadequate raw materials e.g. Iron, Steel, Brass etc. |
| 8. | Shilpa-Peeth Ltd., 111-1, Gopal Lal Thakur Road, Alambazaar, Calcutta. | | | | | 4,000 | | | | | |
| | | Total | | 12,40,000 | 539 | 90,500 | 20,429 | 25,114 | 35,302 | 33,600 | |

APPENDIX VIII

(A)

[Vide paragraph 12(b)]

*Statement showing the import control policy for oil pressure lamps during the period from July-December, 1948 to January-June, 1950.*

PRINCIPLES GOVERNING THE ISSUE OF IMPORT LICENCES FOR THE PERIOD FROM JULY-DECEMBER 1948 TO JANUARY-JUNE 1950.

(Source: Ministry of Commerce, Import Trade Control Public Notices)

| S.No. of I.T.C. Schedule | Description | Import Tariff No. or I.C.T. Item No. | Period | Dollar Area | Hard Currency Countries | Western Zone of Germany | Sweden | Switzerland | Belgium and her possessions | Sterling Countries | Soft Currency Countries | Japan | Other Currency Countries | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 271 | Metal lamps and parts of lamps made of aluminium | 71 | July-December 1948 | No licences will be granted | No licences will be granted | - | Subject to monetory ceilings | Subject to monetary ceilings | - | Subject to monetary ceilings | Subject to monetary ceilings | - | - | - |
| 272 | Metal lamps and parts of lamps not made of aluminium | 71 | -Do- | -Do- | -Do- | - | -Do- | Do- | - | -DO- | -DO- | - | - | - |
| 271 | Metal lamps and parts of lamps made of aluminium | 71 | Jan.-June 1949 | -Do- | -Do- | - | - | - | - | OGL XI | OGL XI | - | - | - |
| 272 | Metal lamps and parts of lamps not made of aluminium | 71 | -Do- | -Do- | -Do- | - | - | - | - | OGL XI | OGL XI | - | - | - |
| 271 | Metal lamps and parts of lamps made of aluminium | 71 & 71(7) | July-Dec. 1949 | No licences | - | No licences | | No licences | - | - | No licence | - | - | - |
| 272 | Metal lamps and parts of lamps not made of aluminium | 71 & 71(7) | July-Dec. 1949 | No licences | | No licences | - | No licences (ZZ) | - | - | No licences | - | - | (ZZ) Licences for parts of incandescent lamps will be granted subject to quota and monetary ceiling. |
| 271 | Metal lamps and parts of lamps made of aluminium | 71 & 71(7) | Jan.-June 1950 | No licences | - | No licences | - | - | No licences | - | - | No licences | No licences (ZZ) | (ZZ) Licences for superior incandescent lamps hanging type, and for parts of incandescent lamps will be granted subject to monetary ceiling. |
| 272 | Metal lamps and parts of lamps not made of aluminium | 71 & 71(7) | Jan.-June 1950 | No licences | - | No licences | | | No licences | - | - | No licences | No licences (ZZ) | -Do- |